

# FISCAL NOTE

**Bill #:** SB325

**Title:** Revise rural electric and telephone coop laws

**Primary**

**Sponsor:** Dale Mahlum

**Status:** Introduced

\_\_\_\_\_  
Sponsor signature Date

\_\_\_\_\_  
Chuck Swysgood, Budget Director Date

## Fiscal Summary

	<b>FY2002</b> <b><u>Difference</u></b>	<b>FY2003</b> <b><u>Difference</u></b>
<b>Net Impact on General Fund Balance:</b>	<b>0</b>	<b>0</b>

<b><u>Yes</u></b>	<b><u>No</u></b>		<b><u>Yes</u></b>	<b><u>No</u></b>	
	x	Significant Local Gov. Impact		x	Technical Concerns
	x	Included in the Executive Budget		x	Significant Long-Term Impacts
	x	Dedicated Revenue Form Attached		x	Family Impact Form Attached

## Fiscal Analysis

### ASSUMPTIONS:

1. This proposal is directed specifically to property purchased by Flathead Electric Coop (FEC) from PacificCorp. This property is currently in class 9, with a taxable rate of 12%. FEC's property is classified as class 5, with a taxable rate of 3%.
2. The proposal would amend 35-18-102 of the MCA, so FEC could consolidate this new property into its holdings and make the customers of the purchased property members of their cooperative.
3. The proposal would amend 15-6-141 of the MCA so FEC's newly acquired property would remain taxed at the class 9 rate of 12%, and not the class 5 rate of 3% at which FEC's existing property is currently taxed.
4. This proposal should result in no impact to department and no impact to the general fund.